

NET ZERO CARBON ORGANISATIONS

EXPLAINER GUIDE

This **Explainer Guide** covers the key principles of net zero carbon organisations.

What are net zero carbon organisations?

Rapid, deep cuts to greenhouse gas emissions are the most effective way of limiting global temperature rise. All organisations - large and **small** - need to take immediate action to reduce the carbon emissions they are responsible for, if we are to halve global emissions by 2030. Emissions reduction targets are considered most ambitious and credible when they '**science-based**' i.e., in line with what the latest climate science says is necessary to meet the Paris Agreement goal of limiting warming to 1.5°C. To reach a state of net zero, companies should deeply reduce their **Scope 1, 2 & 3 greenhouse gas emissions** following four key principles:

- ✓ Set 5-10 year targets to reduce scope 1, 2 and 3 emissions by at least 50% before 2030.
- ✓ Set a long-term target to cut all possible greenhouse gas emissions before 2050. Most organisations need to reduce absolute scope 1, 2 and 3 emissions by >90%.
- ✓ Take action to mitigate emissions **beyond the company's own value chain**.
- ✓ Counterbalance the remaining <10% of emissions that cannot be eliminated using permanent carbon removal and storage.

A company can claim to be net zero when it achieves its long-term target and continually neutralises its residual emissions.



DO YOU KNOW...

...about the **Race to Zero**? This is global campaign rallying non-state actors (e.g. companies, cities, regions) to take rigorous and immediate action to halve global emissions by 2030 and deliver a healthier, fairer, net zero world. There is also a 2030 "Breakthrough" ambition specifically for the Built Environment, which you can find out more about [here](#). UKGBC is proud to be an **Accelerator** of the Race to Zero, working to enhance the momentum of the campaign.

Why is it important?

The UK has a legally-enshrined **commitment** to reach net zero by 2050, meaning that organisations across all sectors must do the same. Although there has been a **rapid rise** in the number of organisations committing to net zero, there remain **concerns regarding the credibility** of targets and the **sufficiency of the regulatory landscape** and finance available to support their achievement. Organisations must ensure their targets, actions, and advocacy are ambitious and aligned with climate science to help bring about the technological, behavioural, business model and policy changes needed for the UK to reach net zero by 2050.

What is the role of the built environment?

The built environment contributes to **25%** of UK greenhouse gas emissions, making organisations that work within this sector critical climate action stakeholders. Built environment organisations who set overarching corporate targets towards net zero must take action towards these targets including mitigating the impact of the buildings they occupy, design and deliver.



FURTHER RESOURCES

The Race to Zero

Science Based Targets initiative's **Corporate Net Zero Standard** and **resources** around target setting